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1 BEFORE THE ARIZONA CORPORATION COMMISSION $\mathbb{RECEIVED}$ 2 **COMMISSIONERS** 2011 MAY 11 P 3: 40 3 GARY PIERCE - Chairman **BOB STUMP** AZ CORP COMMISSION 4 SANDRA D. KENNEDY DOCKET CONTROL PAUL NEWMAN 5 **BRENDA BURNS** 6 IN THE MATTER OF THE APPLICATION OF DOCKET NO. W-01445A-06-0199 ARIZONA WATER COMPANY FOR AN EXTENSION OF ITS EXISITNG CERTIFICATE OF CONVENIENCE AND NECESSITY. 9 IN THE MATTER OF THE APPLICATION OF DOCKET NO. SW-03575A-05-0926 PALO VERDE UTILITIES COMPANY FOR AN 10 EXTENSION OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY. 11 12 IN THE MATTER OF THE APPLICATION OF DOCKET NO. W-03576A-05-0926 SANTA CRUZ WATER COMPANY FOR AN 13 EXTENSION OF ITS EXISTING CERTIFICATE OF CONVENIENCE AND NECESSITY. 14 IN THE MATTER OF THE APPLICATION OF DOCKET NO. SW-03575A-07-0300 15 PALO VERDE UTILITIES COMPANY FOR AN EXTENSION OF ITS EXISTING CERTIFICATE 16 OF CONVENIENCE AND NECESSITY. 17 IN THE MATTER OF THE APPLICATION OF DOCKET NO. W-03576A-07-0300 SANTA CRUZ WATER COMPANY FOR AN 18 EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY. 19 20 ARIZONA WATER COMPANY, AN ARIZONA DOCKET NO. W-01445A-06-0200 CORPORATION, DOCKET NO. SW-20445A-06-0200 21 DOCKET NO. W-20446A-06-0200 COMPLAINANT, DOCKET NO. W-03576A-06-0200 22 DOCKET NO. SW-03575A-06-0200 VS. 23 GLOBAL WATER RESOURCES, LLC, A 24 FOREIGN LIMITED LIABILITY COMPANY: GLOBAL WATER RESOURCES, INC., A Arizona Corporation Commission 25 DELAWARE CORPORATION: GLOBAL DOCKETED WATER MANAGEMENT, LLC, A FOREIGN 26 LIMITED LIABILITY COMPANY: SANTA CRUZ WATER COMPANY, LLC, AN ARIZONA MAY 1 1 2011 27 LIMITED LIABILITY CORPORATION; PALO DOCKETED BY DES VERDE UTILITIES COMPANY, LLC, AN 28 ARIZONA LIMITED LIABILITY

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CORPORATION; GLOBAL WATER – SANTA 1 CRUZ WATER COMPANY, AN ARIZONA CORPORATION; GLOBAL WATER – PALO VERDE UTILITILIES COMPANY, AN ARIZONA CORPORATION; JOHN AND JANE 3 DOES 1-20; ABC ENTITIES I-XX, 4 RESPONDENTS. 5 IN THE MATTER OF THE JOINT APPLICATION OF CP WATER COMPANY 6 AND FRANCISCO GRANDE UTILITIES COMPANY TO TRANSFER THEIR

CERTIFICATES OF CONVENIENCE AND NECESSITY AND ASSETS TO PALO VERDE

UTILITIES COMPANY AND SANTA CRUZ

WATER COMPANY.

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DOCKET NO. WS-01775A-07-0485 DOCKET NO. SW-03575A-07-0485 DOCKET NO. W-02442A-07-0485 DOCKET NO. W-03576A-07-0485

PROCEDURAL ORDER

On December 22, 2010, the Arizona Corporation Commission's ("Commission") Hearing Division issued its Recommended Opinion and Order ("ROO") in the above-captioned matter. Upon issuance of the ROO, exceptions were due to be filed by January 3, 2011, and the ROO was tentatively scheduled to be considered at the Commission's January 11 and 12, 2011, Open Meeting.

On December 30, 2010, Arizona Water Company ("AWC"), Global Water-Santa Cruz, and Global Water-Palo Verde (collectively "the Global Utilities") filed a Request for an Extension of Time to File Exceptions to the ROO and Request for Accelerated Consideration ("Request").

On January 11, 2011, by Procedural Order, the Global Utilities' Request for an extension of time, until February 21, 2011, to file exceptions to the ROO, was granted.

On February 22, 2011, Global Utilities and AWC filed exceptions to the ROO, requesting technical modifications to the ROO's recommended CC&N extension areas. In order to clarify the technical exceptions that have been filed, the parties should provide, either jointly or individually, an amended map, showing Township, Ranges and Sections, identifying the areas where there is disagreement with ROO. Further, the parties should identify previously filed testimony, Staff recommendations, and exhibits that support those exceptions. For example, Global stated that the ROO approves areas that the Global Utilities do not wish to serve. Those areas should be clearly identified on the amended map. Global also stated that the ROO (and ROO recommended map) do

¹ Global Utilities' Exceptions at 5-6.

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Global Utilities' Exceptions at 7, lines 3-7.

³ Docket No. SW-03575A-07-0300.

² Global Utilities' Exceptions at 6-7, beginning at line 19.

Global Utilities' Exceptions at 7, lines 9-18; AWC Exceptions at 5, lines 1-11. ⁶ AWC Exceptions at 5-6.

not address two parcels requested by the Global Utilities.² Those two parcels should be clearly identified on the amended map and Global should reference any previously filed testimony, Staff recommendations, and exhibits related to those parcels. Likewise, the amended map should clearly identify the requested CC&N extension areas in the "Legends" dockets,3 as well as any previously filed testimony. Staff recommendations, and exhibits related to the Legends request.⁴

Both AWC and Global filed exceptions regarding a small portion of Santa Cruz' CC&N that the Global Utilities are requesting to transfer to AWC.⁵ The parties should identify previously filed testimony. Staff recommendations, and exhibits supporting those exceptions. Staff should also be required to file a pleading discussing the transfer and identifying relevant previously filed testimony and/or exhibits related to the issue.

AWC's exceptions include a request that additional areas be included in the ROO.6 Those areas should be clearly identified on the amended map as well as previously filed testimony, Staff recommendations, or exhibits supporting the exceptions.

IT IS THEREFORE ORDERED that the Global Utilities and AWC shall jointly or individually file, on or before May 31, 2011, an amended map(s) and documentation that includes the details described in the above paragraphs.

IT IS FURTHER ORDERED that Staff shall file, on or before June 24, 2011, a pleading discussing Global Utilities' request to transfer a portion of Santa Cruz' CC&N to AWC (identified by a flag on the ROO recommended map). Staff's pleading should identify relevant previously filed testimony and exhibits related to the transfer, as well as Staff's position regarding the parties' exceptions and updated filing in accordance with this Procedural Order.

IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized Communications) continues to apply to this proceeding and shall remain in effect until the Commission's Decision in this matter is final and non-appealable.

1 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance 2 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona 3 Supreme Court Rule 42). Representation before the Commission includes the obligation to appear at all hearings, procedural conferences, and Open Meetings for which the matter is scheduled for 4 5 discussion, unless counsel has previously been granted permission to withdraw by the Administrative 6 Law Judge or Commission. 7 IT IS FURTHER ORDERED that the Presiding Officer may rescind, alter, amend, or waive 8 any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing. DATED this H day of May, 2011. 9 10 11 12 ADMINISTRATIVE LAW JUDGE 13 14 Copies of the foregoing mailed/delivered 15 this //2 day of May, 2011 to: 16 Robert W. Geake ARIZONA WATER COMPANY 17 3805 North Black Canyon Highway Phoenix, AZ 85015 18 rgeake@azwater.com 19 Steven A. Hirsch Rodney W. Ott 20 BRYAN CAVE, LLP Two North Central Avenue, Suite 2200 21 Phoenix, AZ 85004 Attorneys for Arizona Water Company 22 sahirsch@bryancave.com rwott@bryancave.com 23 Timothy J. Sabo 24 Michael W. Patten ROSHKA DEWULF & PATTEN, PLC 25 One Arizona Center 400 East Van Buren Street, Suite 800 26 Phoenix, AZ 85004 Attorneys for Global Water Entities

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Secretary to Yvette B. Kinsev